

City of Winsted
City Council Meeting
Council Chambers
Tuesday, November 21, 2023
6:00 p.m.

Present: Mayor Steve Stotko
Council Member Jeff Albers
Council Member Jesse Cafferty
Council Member Steve Ebert

Absent: Council Member Tom Ollig

Staff Present: Mr. Neil Schlagel, City Administrator
Ms. Raquel Kirchoff, City Clerk-Treasurer
Mr. Justin Heldt, Police Chief

1) Mayor Stotko called the meeting to order at 6:00 p.m.

a) The Pledge of Allegiance was recited.

2) Consent Agenda

a) Schedule Public Hearing – Fee Schedule Ordinance

Scheduled a public hearing for December 19, 2023 at 6:00 p.m. in the City Council Chambers at Winsted City Hall to consider adopting amendments to the Fee Schedule Ordinance.

b) Resolution R-23-46 – Rescind Emergency Outdoor Watering Restrictions

Adopted Resolution R-23-46, rescinding Emergency Outdoor Watering Restrictions in the City of Winsted.

c) Resolution R-23-47 – Local Road Improvement Program (LRIP) Funding – Zion Avenue Improvement Project

Adopted Resolution R-23-47, authorizing the pursuit of 2023 Local Road Improvement Program (LRIP) funding for the Zion Avenue Improvement Project in the City of Winsted.

d) Resolution R-23-48 – Assessment Certification of Abated Blight Properties

Adopted Resolution R-23-48 certifying the charges for the abatement of blighting conditions and levying it as a Special Assessment to certain Winsted properties.

e) Winsted Volunteer Fire Department – Mutual Aid Agreement – City of Glencoe

Authorized the Mayor and City Administrator to execute a Mutual Equipment Aid Agreement as presented, between the City of Winsted and the City of Glencoe, Minnesota.

f) Winsted Volunteer Fire Department – Mutual Aid Agreement – City of Howard Lake

Authorized the Mayor, Fire Chief, and City Administrator to execute an Automatic Mutual Equipment Aid Agreement, as presented, between the City of Winsted and the City of Howard Lake, Minnesota.

g) Dance Permit – The Blue Note

Approved a Dance Permit for the Blue Note Ballroom, 320-3rd Street South, for a dance event on Saturday, November 25, 2023.

h) Resolution R-23-49 – Winsted Volunteer Fire Department Relief Association – Donation

Adopted Resolution R-23-49 to accept a donation for the Winsted Volunteer Fire Department in the amount of \$3,000.00 to be dedicated toward the Winsted Volunteer Fire Department Capital Improvement Fund.

i) Resolution R-23-50 – Winsted Volunteer Fire Department Relief Association – Donation

Adopted Resolution R-23-50 to accept a donation for the Winsted Volunteer Fire Department in the amount of \$7,161.00 to be dedicated toward the Winsted Volunteer Fire Department Capital Improvement Fund.

j) Resolution R-23-51 – Winsted Holding Activities That Unite People (WHAT UP) Donation

Adopted Resolution R-23-51 accepting a contribution from the Winsted Lions Club in the amount of \$500.00 to be dedicated toward the Winsted Holding Activities that Unite People (WHAT UP) organization.

k) Winsted Volunteer Fire Department – Position Descriptions

Adopted the following job descriptions for the Winsted Volunteer Fire Department:

- Fire Chief
- First Assistant Chief
- Second Assistant Chief
- Captain 1
- Captain 2
- Captain 3
- Fire Secretary
- Maintenance Supervisor

l) Security Bank & Trust Company – Pledged Securities

Approved the Pledged Securities that Security Bank & Trust Company has purchased for the City of Winsted for the month of October, 2023.

m) Building Permit Report – October, 2023

Approved the Building Permit Report for the month of October, 2023.

n) Financial Report – September, 2023

Approved the Financial Report for the month of September, 2023.

o) Claims

Approved the Claims list for November 21, 2023.

p) Appointment – Winsted Volunteer Fire Department

Appointed Ms. Madisen Stillwell to the position of Volunteer Firefighter with the Winsted Volunteer Fire Department, contingent upon passing a criminal background check, pre-employment physical, and a drug and alcohol test.

Council Member Albers motioned to adopt the Consent Agenda. Council Member Ebert seconded the motion. Motion carried 4-0.

3) Public Hearings

a) Resolution R-23-52 – Tax Increment Financing (TIF) Request – Winsted Leased Housing, LLC

Council Member Ebert motioned to open the Public Hearing. Council Member Cafferty seconded the motion. Motion carried 4-0.

Mr. Shannon Sweeney, David Drown Associates, stated that the City Council packet for this meeting included documents to include a cover letter, a drafted Tax Increment Plan, a copy of a Development Agreement and a resolution providing for the adoption of the Tax Increment Plan and authorizing execution of the development agreement regarding a previously submitted tax incentive application to request TIF assistance for the construction of sixty-five (65) apartment units in the Grass Lake Farm Third Addition Subdivision by Mr. David Tysk of Winsted Leased Housing, LLC.

Mr. Sweeney stated that TIF is a tool that captures new City, County, and a portion of the School District property taxes that are generated as a result of new development that occurs within the boundaries of a designated TIF District. The City is able to create a housing tax increment district which can capture tax

increments for up to twenty-six (26) years. A housing tax increment district does impose some income restrictions on the housing units. Mr. Sweeney explained these.

Typically, assistance provided is limited by a dollar amount which is based on current property tax estimates so that assistance requested would not exceed a specified dollar amount or the consecutive years of reimbursement, whichever occurs first. Based on the original TIF projection for the project, the project is estimated to generate \$137,206 in gross tax increments each year which would total approximately \$3,567,357 during the twenty-six (26) year life of the TIF District (the requested subsidy is for twenty-five (25) years or an estimated \$3,074,787 at 90% of the available increment). Under Minnesota Statute, a City can retain 10% of the increment for documented administrative or other housing project costs which is intended.

Tax increments paid to the developer are structured as a reimbursement for documented project costs that include environmental testing, foundations and footings, grading/earthwork, landscaping, onsite utilities, onsite road, curb, gutter, driveway, sidewalk and streetscape improvements, outdoor lighting, site preparation, soil testing and boring, and storm water management.

For TIF to be available for a project, the City must undertake a process defined by Minnesota Statutes to create a tax increment district. A public hearing is required as part of this process and notification must be made to the County and School District well in advance of the public hearing. A Tax Increment Plan is drafted as part of this process and provided to the County, School District, and after adoption the State of Minnesota.

Mayor Stotko provided guidelines for the process of conducting the public hearing and invited the public to make comments. No comments were received from attendees at the meeting. Mr. Neil Schlagel, City Administrator stated that the City received one (1) comment through a telephone call, hoping that the City would consider giving money back to the school. Mr. Schlagel explained to the caller that instead, the housing unit would bring residents which would boost enrollment in the school.

Council Member Albers motioned to close the Public Hearing. Council Member Cafferty seconded the motion. Motion carried 4-0.

Mr. Sweeney explained the process for property that is not being developed to be removed from the TIF district in the future, if a developer requests. He continued by stating that it is easier to remove property from a TIF District than to add property to it.

Mr. Sweeney explained the reasoning of how the proposed housing project should attract additional interest in this type of development.

Council Member Albers motioned to adopt Resolution R-23-52, approving the modification of Municipal Development District No. 2, the adoption of the Modified Development Plan relating thereto, the creation of Tax Increment Financing District No. 2-9 therein, and adoption of the Tax Increment Financing Plan relating thereto. Council Member Cafferty seconded the motion. Motion carried 4-0.

b) Right-of-Way (ROW) Vacation – Grass Lake Farm Third Addition

Council Member Ebert motioned to open the Public Hearing. Council Member Albers seconded the motion. Motion carried 4-0.

Mr. John Anderson, Municipal Development Group, stated that the City Council is holding a Public Hearing for the vacation of existing right-of-way that is currently in the Grass Lake Farm addition, and a Public Hearing for easement vacation as well. New Business agenda items for this meeting include a Planned Unit Development (PUD), a Final Plat and Site Plan. If the City Council approves the Final Plat under New Business, new right-of-way and drainage utility easements will be dedicated on that plat to match the new street and lot layout. These lots were previously platted under a different plat that had drainage utility easements and streets that matched the previous plat. Since it is being re-platted, the City must vacate the existing easements and right-of-way to allow for the new ones to be dedicated with the new Final Plat. For that plat to be approved, these vacations must occur and require a Public Hearing. The vacations would be contingent upon the new Final Plat being recorded.

Mr. Anderson asked for questions regarding the Public Hearings. No questions were received.

No public comments were received.

Council Member Ebert motioned to close the Public Hearing. Council Member Cafferty seconded the motion. Motion carried 4-0.

c) Drainage and Utility Easement Vacation – Grass Lake Farm Third Addition

Mayor Stotko motioned to open the Public Hearing. Council Member Albers seconded the motion. Motion carried 4-0.

Mr. Anderson stated that he had no further comments different than those provided in the summary of the Public Hearing for the Right-of-Way vacation.

No public comments were received.

Council Member Albers motioned to close the Public Hearing. Council Member Ebert seconded the motion. Motion carried 4-0.

4) No Old Business

5) New Business

a) Grass Lake Farm Third Addition Approvals

Mr. Anderson stated that he provided a City Council report included in the City Council packet materials for this meeting, and continued by stating he would review some of that report information regarding the overall Plat, Planned Unit Development (PUD) and Site Plan during this meeting since they coincide with the vacations just reviewed during the Public Hearings. He continued by stating that the City Council previously approved the Preliminary Plat and Preliminary PUD plan, so now the Final Plat, Final PUD Plan, and Final Site Plan are to be considered for apartment buildings to be constructed on Lot One (1), Block Two (2), as part of the plat. The plat is a re-plat of the existing Grass Lake Farms Development, minus one (1) lot. There is a new roadway to be dedicated that will extend 9th Street north to Main Avenue, which will be the main access point into this new development. There are two (2) lots being created and three (3) outlots. The larger lot, Lot One (1), Block Two (2) on the west side of 9th Street is where two (2) thirty-one (31) unit apartment buildings will be constructed.

Lot One (1), Block One (1) on the east side of 9th Street is proposed for a future townhome building and is adjacent to an outlot where a pond will be. The City has not yet received the proposal for that townhome. When that is submitted, the applicant will need to complete the building permit process for that townhome.

There is an Outlot A in the north portion of the plat that is adjacent to an existing lot on Merganser. One of the conditions for this outlot is that it is dedicated/deeded to that owner since there is a small green area that will be adjacent to the roadway; this will give that owner additional space for his house to the right of way.

Outlot B, on the east side of 9th Street, is a pond lot that will be deeded to the City for storm water management purposes.

Outlot C, south of the Mallard Avenue extension, is a future development lot which is part of the TIF District and plat. When the owners are ready in the future, they will propose a development to the City. At that time, since it is an outlot, it would have to undertake a new plat process.

The PUD will approve items for the structure that are outside of the City's zoning code which were reviewed and recommended for approval during the preliminary PUD process. Mr. Anderson stated that these were listed on the report to the City Council, and continued with a summary of the items that follow:

- Side yard setback adjacent to 9th Street
- Side yard setback adjacent to the right-of-way for the existing family home.
- Allowance for detached accessory buildings (garages for the apartment buildings) to be located in the front yard and allowance for their setback to be twenty-five (25) feet rather than the required thirty (30) feet.
- Reduction of off street parking stalls from one hundred twenty-four (124) to one hundred eighteen (118).

Mr. Anderson stated that park dedication was given during the previous platted property, so no additional park dedication is required for this new plat.

Mr. Anderson reviewed information regarding the Site Plan Review that the Planning Commission completed and recommended for approval, to include off street parking, landscaping, the building and its materials,

layouts, building lighting, street lighting, sidewalk, and utilities. He reminded the City to review the conditions listed for approval in the development agreement and multiple resolutions that the City will execute for approval.

The City Council Members had no questions after the review of information from Mr. Anderson.

i. Resolution R-23-53 – Planned Unit Development Final Plan – Grass Lake Farm Third Addition

Council Member Albers motioned to adopt Resolution R-23-53, approving a Planned Unit Development (PUD) Final Plan known as Grass Lake Farm Third Addition, subject to conditions. Council Member Cafferty seconded the motion. Motion carried 4-0.

ii. Resolution R-23-54 – Right-of-Way (ROW) Vacation – Grass Lake Farm Third Addition

Council Member Ebert motioned to adopt Resolution R-23-54, approving the vacation of public right-of-way, subject to conditions. Council Member Albers seconded the motion. Motion carried 4-0.

iii. Resolution R-23-55 – Drainage and Utility Easement Vacation – Grass Lake Farm Third Addition

Council Member Cafferty motioned to adopt Resolution R-23-55, approving the vacation of public drainage and utility easements, subject to conditions. Council Member Ebert seconded the motion. Motion carried 4-0.

iv. Resolution R-23-56 – Final Plat – Grass Lake Farm Third Addition

Council Member Albers motioned to adopt Resolution R-23-56, approving a Final Plat known as Grass Lake Farm Third Addition, subject to conditions. Mayor Stotko seconded the motion. Motion carried 4-0.

v. Resolution R-23-57 – Site Plan Review – Grass Lake Farm Third Addition

Council Member Ebert motioned to adopt Resolution R-23-57, approving the Site Plan Review for a Multiple Family Dwelling Structure to be constructed in the R-2 Multiple-Family Residential District, subject to conditions. Council Member Cafferty seconded the motion. Motion carried 4-0.

6) Organization Report

Ms. Amanda Zeidler, Winsted Holding Activities That Unite People (WHAT UP) representative, provided a report regarding the organization to include the following:

- A review of current Committee Members and an invitation for others to join as Committee Members if interested.
- A review of the history of how WHAT UP was established.
- A review of the purpose of WHAT UP - to bring community and families together through free local events.
- A review of the events WHAT UP offers throughout the year.
- A thank you to WHAT UP sponsors for donations to provide these events.

City Council Members thanked WHAT UP for their work to get people together, especially after the COVID-19 pandemic that occurred.

7) No Open Forum

8) City Administrator Updates and Announcements

Mr. Schlagel stated that City staff is organizing a meeting of volunteer groups in the City to discuss and collaborate regarding events and services offered by their groups.

9) Adjourn

Council Member Albers motioned to adjourn the meeting. Council Member Cafferty seconded the motion. Motion carried 4-0.

The meeting adjourned at 6:50 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:



Raquel Kirchoff, CMC
City Clerk-Treasurer
City of Winsted